

ADOPTED

December 3, 1987

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY AND STEPHEN COYLE,
DIRECTOR

FROM: RICARDO A. MILLETT, ASSISTANT DIRECTOR
THOMAS O'MALLEY, SENIOR PROJECT MANAGER

SUBJECT: AUTHORIZATION TO ENTER INTO A LOAN CONTRACT WITH
INQUILLINOS BORICUAS EN ACCION (IBA) IN AN AMOUNT
NOT TO EXCEED \$60,000 TO DEFRAY THE COSTS OF
REMOVING DEBRIS AND REMNANTS OF A FIRE AT 640
TREMONT STREET, PARCEL SE-116 IN THE SOUTH END
URBAN RENEWAL AREA.

Summary: This memorandum requests authorization to provide to IBA a loan for up to \$60,000 to be used to pay for clean up and debris removal on Parcel SE-116 in the South End. The loan would be repaid by IBA within one year out of construction loan proceeds. If repaid in full before the end of fiscal year 1988 the loan would carry no interest; after the end of FY88, three percent interest would be charged on the outstanding balance.

On October 8, 1987, the Authority voted to grant tentative designation to Inquillinos Boricuas en Accion (IBA) for the purpose of producing 20 units of mixed income housing on Parcel SE-116, located at 640 Tremont Street in the South End. This designation was part of the Phase I South End Neighborhood Housing Initiative (SENHI).

Parcel SE-116, consisting of 12,960 square feet, contains the remnants of the Shawmut Congregational Church, which was destroyed by fire. The Authority has agreed with the community and the Landmarks Commission to incorporate the church tower and as much of the church remnants as possible into any new development on the site. The proposal submitted by IBA meet this criteria.

However, the project is complicated and expensive. In order to verify the structural integrity of the church and ascertain accurate construction estimates, the site must be cleared of rubble to allow better access. Along with its tentative designation, IBA also was granted early entry to the site for the purpose of clearing this debris.

IBA has begun to solicit estimates for clearing put the site. A scope of work has been developed which outlines the contractor's responsibilities under the contract, including clean-up and security for the building. Bids have been received from two

firms; four more have been invited to place bids. Preliminary estimates indicate that clean-up of the site could cost up to \$60,000.

IBA is a non-profit organization, and its upfront resources are limited. IBA has approached EOCD and other sources for the money to pay for site clearance, but have been unsuccessful.

It is requested that the Authority assist IBA by providing a loan for \$60,000 to defray the cost of the site clean-up and debris removal. The loan would be repaid within a year out of construction loan proceeds. If repaid in full before the end of FY88, no interest would be charged; after the end of FY88, three percent interest would be charged on the outstanding balance of the loan.

An appropriate vote follows:

VOTED: That the Director be authorized to enter into and execute a loan contract with Inquilinos Boricuas en Accion to provide a loan for up to \$60,000 that would be used to defray the cost of clean up and debris removal for Parcel SE-116 in the South End. The loan would be repaid within one year out of construction loan proceeds. If repaid in full before the end of fiscal year 1988, the loan would be interest-free; after the end of fiscal year 1988, three percent interest would be charged on the outstanding balance.



